

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

400E0305

HOUSE COMMERCE COMMITTEE ENGROSSED NO.

HB 1040 - 01/18/2001

Introduced by: The Committee on Commerce at the request of the Department of
Commerce and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the applicability of
2 managed care statutes and managed care mediation requirements and to permit certain
3 impartial mediation provisions.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 58-17C-4 be amended to read as follows:

6 58-17C-4. Sections 58-17C-4 and 58-17C-6 apply to any health carrier who offers a
7 managed care plan as defined in §§ ~~58-17-91 and 58-18-64~~ § 58-17C-1.

8 Section 2. That § 58-17C-58 be amended to read as follows:

9 58-17C-58. Each managed care plan or utilization review organization shall establish and
10 maintain a grievance system, approved by the director after consultation with the secretary of
11 the Department of Health, which may include an impartial mediation provision, to provide
12 reasonable procedures for the resolution of grievances initiated by any enrollee concerning the
13 provision of health care services. Mediation ~~shall~~ may be made available to enrollees unless an
14 enrollee elects to litigate a grievance prior to submission to mediation. No medical malpractice

1 damage claim is subject to arbitration under §§ 58-17C-58 to 58-17C-63, inclusive. Each
2 managed care plan or utilization review organization shall provide that if a grievance is filed
3 which requires a review of services authorized to be provided by a practitioner or if a grievance
4 is filed which requires a review of treatment which has been provided by a practitioner, the
5 review shall include a similarly licensed peer whose scope of practice includes the services or
6 treatment being reviewed.

7 Section 3. That § 58-17C-20 be amended to read as follows:

8 58-17C-20. Each managed care entity, as defined in ~~§§ 58-18-64 and 58-17-91~~ § 58-17C-1,
9 shall register with the director prior to engaging in any managed care business in this state. The
10 registration shall be subject to the provisions of ~~§§ 58-18-71 to 58-18-75~~ §§ 58-17C-64 to 58-
11 17C-68, inclusive, and any applicable rules promulgated pursuant to those sections.